

**APFT BERHAD**  
**Registration Number : 201001002295 (886873-T)**  
**(Incorporated in Malaysia)**  
**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**  
**30 APRIL 2020**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>UNAUDITED GROUP AS AT 30.04.2020 RM'000</b>	<b>AUDITED GROUP AS AT 30.04.2019 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,475	6,437
Other investment	-	-
Fixed deposits	-	-
<b>Total non-current assets</b>	<b>3,475</b>	<b>6,437</b>
<b>Current assets</b>		
Inventories	-	-
Trade receivables	68	54
Other receivables	7	143
Tax recoverable	194	85
Cash and bank balances	14	62
<b>Total current assets</b>	<b>283</b>	<b>344</b>
<b>Total assets</b>	<b>3,758</b>	<b>6,781</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	73,196	73,196
Merger Surplus / (Deficit)	195	195
(Accumulated Losses) / Unappropriated profits	(81,408)	(77,114)
	<b>(8,017)</b>	<b>(3,723)</b>
Non-controlling interests	-	-
<b>Total equity</b>	<b>(8,017)</b>	<b>(3,723)</b>
<b>Current liabilities</b>		
Trade payables	172	106
Other payables	10,240	10,252
Amount due to Directors	345	27
Lease Liability	867	-
Tax Payable	151	119
<b>Total current liabilities</b>	<b>11,775</b>	<b>10,504</b>
<b>Total liabilities</b>	<b>11,775</b>	<b>10,504</b>
<b>Total liabilities and equity</b>	<b>3,758</b>	<b>6,781</b>
Number of ordinary shares in issue ('000)	1,342,422	477,332
Net assets per share attributable to ordinary equity holders of the Company (RM)	(0.01)	(0.01)

**Note:**

- a. The Unaudited Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019 and the accompanying notes attached to this interim financial report.

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**(Incorporated in Malaysia)**

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2020**  
**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	(3) MONTHS ENDED		YEAR TO DATE ENDED	
	30.04.2020	30.04.2019	30.04.2020	30.04.2019
	RM'000	RM'000	RM'000	RM'000
Operating revenue	-	500	-	1,728
Cost of services	(69)	258	(244)	(709)
<b>Gross Profit / (Loss)</b>	<b>(69)</b>	<b>758</b>	<b>(244)</b>	<b>1,019</b>
Other income	294	4,893	2,557	60,172
Administrative expenses	(3,951)	(10,855)	(5,998)	(45,120)
Marketing expenses	-	23	-	-
Other expenses	-	-	-	-
Finance costs	-	-	-	-
<b>Profit / (Loss) before taxation</b>	<b>(3,726)</b>	<b>(5,181)</b>	<b>(3,685)</b>	<b>16,071</b>
Tax expense	-	-	-	(121)
<b>Profit / (Loss) for the period continued operations</b>	<b>(3,726)</b>	<b>(5,181)</b>	<b>(3,685)</b>	<b>15,950</b>
<b>Discontinued Operations</b>				
Profit for the period from discontinued operations	-	45,859	-	(414)
<b>Profit / (Loss) for the period</b>	<b>(3,726)</b>	<b>40,678</b>	<b>(3,685)</b>	<b>15,536</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive Profit / ( Loss)</b>	<b>(3,726)</b>	<b>40,678</b>	<b>(3,685)</b>	<b>15,536</b>
<b>Net Profit / (Loss) attributable to:</b>				
Owners of the Company	(3,726)	(5,181)	(3,685)	15,950
Non-controlling interests	-	45,859	-	(414)
Net Profit / (Loss) for the financial period	<b>(3,726)</b>	<b>40,678</b>	<b>(3,685)</b>	<b>15,536</b>
<b>Total comprehensive profit / (loss) attributable to:</b>				
Owners of the Company	(3,726)	(2,153)	(3,685)	15,950
Non-controlling interests	-	-	-	(414)
Total comprehensive profit / (loss) for the financial period	<b>(3,726)</b>	<b>40,678</b>	<b>(3,685)</b>	<b>15,536</b>
Weighted average no. of ordinary shares in issue ('000)	1,342,422	1,342,422	1,342,422	1,342,422
<b>Loss per share (sen)</b>				
(a) Basic	(0.28)	3.03	(0.27)	1.16

**Notes:**

- a. The Unaudited Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019 and the accompanying notes attached to this interim financial report.

**APFT BERHAD**  
**Registration Number : 201001002295 (886873-T)**  
**(Incorporated in Malaysia)**  
**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL**  
**QUARTER ENDED 30 APRIL 2020**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(The figures have not been audited)

	<b>CURRENT QUARTER ENDED</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD</b>
	<b>30.04.2020</b>	<b>30.04.2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	(3,685)	15,657
Adjustments for:		
Discontinued operations		
Bad Debts written off		5
Write Back of Consultancy Expenses	(633)	-
Impairment Loss on Trade Receivables	-	2,047
Impairment Loss on Other Receivables	600	4
Impairment Loss of Investment in associates	-	3,200
Impairment Loss on Plant, Property & Equipment	1,440	1,624
Impairment Loss of Amount Due From Related Parties	-	28,426
Depreciation PPE	592	778
(Gain) / Loss on Disposal of PPE	(175)	119
Net Liabilities of Certain Subsidiaries Disposed in Prior Year		
Not Derecognised	-	(23,111)
Gain on Disposal of Subsidiary During the Year	-	(37,012)
Operating loss before working capital changes	(1,861)	(8,263)
Changes in working capital:		
Decrease in Inventory	-	-
(Increase) / Decrease in Receivables	13	(3,785)
(Decrease) / Increase in Payables	-	12,709
Increase Amount owing to Directors	-	-
Cash Generated From / (Used) In Operations	(1,847)	661
Income Tax Refund	-	-
Income Tax Paid	-	(1)
Interest Received	-	-
<b>Net cash used in operating activities</b>	<b>(1,847)</b>	<b>660</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Acquisition of investment in associates	-	(3,200)
Acquisition of PPE	-	(425)
Proceed from disposal of propert, plant & Equipment	660	912
Net Cash Outflow from Disposal from certain subsidiaries not derecognised in prior year	-	(177)
Net Cash Inflow from disposal of subsidiaries	-	8
<b>Net cash used in investing activities</b>	<b>660</b>	<b>(2,882)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment to Director	-	(74)
Repayment of Borrowings	-	-
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(74)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Net Decrease	(1,187)	(2,296)
Brought forward	62	2,358
<b>Carried forward</b>	<b>(1,125)</b>	<b>62</b>

**Notes:**

- a. The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019 and the accompanying notes attached to this interim financial report.

**APFT BERHAD**  
**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2020**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

(The figures have not been audited)

Group	← Attributable to owners of the Company Non-distributable					→ Distributable				
	Share capital RM'000	Share premium RM'000	Merger deficit RM'000	Warrants reserve RM'000	Discount on shares RM'000	Translation reserve RM'000	Unappropriated profits / (Accumulated Losses) RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
Balance at 1 May 2019	73,196	-	195	19,200	(19,200)	-	(77,114)	(3,723)	-	(3,723)
Transfer in accordance to Section 74 of the Company Act, 2016	-	-	-	-	-	-	-	-	-	-
Realisation of reserves due to deconsolidation	-	-	-	-	-	-	-	-	-	-
Opening Balance Adjustment due to adoption of MFRS 16	-	-	-	-	-	-	(609)	(609)	-	(609)
Profit / ( Loss ) for the financial year	-	-	-	-	-	-	(3,685)	(3,685)	-	(3,685)
Total comprehensive profit / (loss) for the financial year	-	-	-	-	-	-	(3,685)	(3,685)	-	(3,685)
<b>Transactions with owners of the Company:</b>										
Issuance of shares, net of shares issuance expenses	-	-	-	-	-	-	-	-	-	-
Balance at 31 January 2020	<u>73,196</u>	<u>-</u>	<u>195</u>	<u>19,200</u>	<u>(19,200)</u>	<u>-</u>	<u>(81,408)</u>	<u>(8,017)</u>	<u>-</u>	<u>(8,017)</u>

**Note:**

1 Pursuant to Section 74 of the Companies Act 2016 (" Act "), the Company's shares no longer have a par value or nominal value with effect from 31 January 2017. In accordance with the transitional provisions set out in Section 618(2) of the Act, any amount standing to the credit of the share premium account becomes part of the Company's share capital. Companies have 24 month from the commencement of the Act to utilise the credit for purposes as set out in Section 618 (3) of the Act. During the current financial quarter, the Company has not utilised the credit on the Share Premium account which is now has become part of the share capital. There is no impact on the number of ordinary share in issue or the relative entitlement of any of the members as a result of this transition.

2

The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 30 April 2019 and the accompanying notes attached to this interim financial report.

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**  
**NOTES**

**EXPLANATORY NOTES PURSUANT TO MFRS 134 INTERIM FINANCIAL REPORTING**

**A1 Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standards 134 (MFRS134): "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board. For periods up to and including the financial year ended 31 January 2018, the Group prepared its financial statements in accordance with Malaysian

The interim financial statements should be read in conjunction with the audited financial statements for the period ended 30 April 2019. The explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial period ended 30 April 2019.

The Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2013. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("MFRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board.

The Group has also adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for the accounting periods beginning on or after 1 February 2018. The adoption of these standards, amendments and interpretations have not resulted in any material impacts to these interim financial statements.

**A2 Change in accounting policies**

The accounting policies adopted are consistent with those of the previous financial period. New standards and amendments that apply for the first time in 2018 do not have material impact of the group.

On 1 February 2018, the Group adopted the following new and amended MFRS mandatory for annual financial periods beginning on or after 1 February 2018:

**MFRS and / or IC interpretations ( Including The Consequential Amendments)**

MFRS 16 : Leases  
IC Interpretation 23 Uncertainty over Income Tax Treatments  
Amendments to MFRS 9 : Prepayments Features with Negative Compensation  
Annual Improvements to MFRS Standards 2015 - 2017 Cycles  
Amendments to References to the Conceptual Framework in MFRS Standards

The adoption of the above accounting standards (including the consequential amendments (if any) did not have any material impact on the Group's Financial Statements.

The Group has not applied in advance the following applicable accounting standards (including the consequential amendments (if any) that have been issued by the Malaysian Accounting

**MFRS and / or IC interpretations ( Including The Consequential Amendments)**

**Effective Dates**

MFRS : Definition of a Business (Amendments to MFRS3)	1 January, 2020
Amendments to reference to the Conceptual Framework in MFRS Standards	1 January, 2020
MFRS 101 Presentation of Financial Statement : Definition of Material (Amendments to MFRS 101)	1 January, 2020
MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors : Definition of Material;	1 January, 2020
MFRS 17 Insurance Contracts	1 January, 2020
MFRS 10 Consolidated Financial Statements : Sale or Contribution of Assets between an Investor and its	Deferred
MFRS 128 Investments in Associates and Joint Ventures : Sale or Contribution of Assets between an Investor	Deferred

The adoption of the above applicable standard and interpretations is expected to have no material impact on the financial position and performance of the group

**A3 Auditor's report**

The auditor's report of the Group for the period ended 30 April 2019 carries a Disclaimer of Opinion. The auditor's do not express an opinion on the audited financial statements of the Group and of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of their report, they have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer of Opinion**

**1 Material uncertainty relating to the going concern basis**

- a. As described in Note 1(d) to the financial statements, the Company incurred net losses of RM68,667,944 for the financial period from 1 February 2018 to 30 April 2019. As at 30 April
- b. On 19 January 2018, the Company announced that it was classified as an affected listed issuer pursuant to Paragraph 2.1(e) of Practice Note 17 ("PN 17") under the Main Market. As at the date of this the audited report, as the Group is currently in the midst of formalising the Regularisation Plan, the auditors are unable to determine whether the Regularisation. The ability of the Group and the Company to operate as a going concern is dependent upon:
  - (i) The timing and successful formulation and implementation of the Regularisation Plan; and
  - (ii) The Group and the Company achieving sustainable and viable operations.

**2 Disposal of certain subsidiaries in prior year**

The auditors were unable to satisfy ourselves in respect of the following assertions and obtain sufficient appropriate audit evidence that the opening balances i.e. balances as of 1  
i. they were unable to obtain sufficient appropriate audit evidence to satisfy ourselves on the nature and classification of certain consolidation adjustments amounting to RM5,931,308 in  
ii. The Company has disposed certain subsidiaries in prior financial period from 1 August 2016 to 31 January 2018. Based on our audit procedures performed, the net liabilities of These net liabilities were only derecognised in the current financial period as gain on disposal of subsidiaries, included as other income in the statement of profit and loss and other

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**  
**NOTES**

**3 Basis for Qualified Opinion**

The Group had issued Employee's Share Option Scheme ("ESOS") amounting to RM 3,575,000. The auditors were unable to obtain the valuation report from external specialist on the fair value of share options granted. They were not able to obtain sufficient appropriate audit evidence to establish the completeness, valuation and allocation of the ESOS.

**A4 Seasonal or cyclical factor**

The Group's business does not experience any material seasonality.

**A5 Unusual items affecting financial statements**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter under review.

**A6 Material changes in estimates**

There were no changes in estimates that have a material effect on the current quarter results.

**A7 Debts and equity securities**

There was no issuance, cancellation, repurchases, resale nor repayment of equity securities or debt securities during the current financial quarter under review except for the corporate proposals as disclosed in B8, if any.

**A8 Dividend paid**

There were no dividends paid by the Company since the last financial year.

**A9 Operating segment**

Operating segments are components in which separate financial information is available that is evaluated regularly by the Board of Directors in deciding how to allocate resources and in assessing performance of the Group. The Group has identified the business of flight education and training and charter services as its operating segments.

Quarter ended 30 April 2020	Flight education and training RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
<b>Revenue from</b>				
External customers	-	294	-	294
<b>Total revenue</b>	<u>-</u>	<u>294</u>	<u>-</u>	<u>294</u>
Segmented results	-	(3,925)	-	(3,925)
<b>Profit / (Loss) before taxation</b>				(3,925)
Tax expense				-
<b>Net Loss for the financial quarter</b>				<u><u>(3,631)</u></u>
<b>Segment assets</b>	<u>2,623</u>	<u>-</u>	<u>-</u>	<u>2,623</u>

**Notes:**

*There is no geographical segmental information as the Group operates principally in Malaysia and the result of overseas operation is immaterial.*

**A10 Valuation of aircraft, property, plant and equipment**

Aircraft, property, plant and equipment of the Group are stated at cost less accumulated depreciation and impairment losses. No valuation of aircraft, property, plant and equipment was undertaken during the current quarter under review.

**A11 Material events subsequent to the end of the quarter**

Further to the memorandum of understanding entered into between APFT and HIC on 10 March 2020, the Board of Directors of the Company wishes to inform that TA Securities Holdings Berhad ("TA Securities") has been appointed as the Principal Adviser on 1 June 2020 and is looking into devising a proposed regularisation plan.

Bursa Securities has vide its letter dated 9 June 2020 notified the Company that after due consideration of all facts and circumstances of the matter, in particular, the Company entered into a memorandum of understanding with HELP International Corporation Berhad ("HELP") on 10 March 2020, appointed TA Securities as the Principal Adviser for its proposed regularisation plan on 29 May 2020 and TA Securities' representation based on their preliminary evaluation, decided to grant the Company an extension of time of six (6) months up to 9 December 2020 to submit the regularisation plan to the relevant authorities for approval.

Bursa Securities has further decided to de-list the securities of APFT from the Official List of Bursa Securities pursuant to paragraph 8.04 of the Listing Requirements in the event:

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**

**NOTES**

- (i) the Company fails to submit a regularisation plan to the relevant authorities for approval on or before 8 December 2020;
- (ii) the Company fails to obtain the approval for the implementation of its regularisation plan and does not appeal within the timeframe (or extended timeframe, as the case may be) prescribed to lodge an appeal
- (iii) the Company does not succeed in its appeal; or
- (iv) the Company fails to implement its regularisation plan within the time frame or extended time frame stipulated by the relevant authorities.

Upon occurrence of any of the events set out in (i) to (iv) above, the securities of the Company shall be removed from the Official List of Bursa Securities upon the expiry of 2 market days from the date the Company is notified by Bursa Securities or on such other date as may be specified by Bursa Securities.

**A12 Changes in the composition of the Group**

The were no changes in the Composition of the Group

**A13 Contingent liabilities**

There are no Contingent Liabilities for the Group during the quarter under review.

**A14 Capital commitments**

There was no capital commitments during the quarter under review.

**A15 Significant related party transactions**

There was no significant related party transactions during the quarter under review.

**B EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 Review of performance**

For the quarter ended 31 October 2019, APFT Berhad and its subsidiaries ("APFT Group" or "Group") generated revenue from other income of RM1,417,000 from disposal of assets and discount received from vendor and profit before taxation ("PBT") for the quarter was RM717,000.

**INDIVIDUAL QUARTER**

	<b>QUARTER ENDED</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER ENDED</b>	<b>VARIANCE</b>	<b>VARIANCE</b>
	30.04.2020	30.04.2020		
<b>Financial Indicators</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	-	-	-	0%
Profit / (Loss) before taxation	(3,726)	(5,181)	1,455	139%
Profit / (Loss) after taxation	(3,726)	40,678	(44,404)	-1092%

**CUMULATIVE QUARTER**

	<b>QUARTER ENDED</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER ENDED</b>	<b>VARIANCE</b>	<b>VARIANCE</b>
	30.04.2020	30.04.2020		
<b>Financial Indicators</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	-	500	(500)	0%
Profit / (Loss) before taxation	(3,726)	(37,242)	33,557	-111%
Profit / (Loss) after taxation	(3,726)	8,617	(12,343)	-70%

**B2 Variation of results against preceding quarter**

	<b>Q4FYE2020</b>	<b>Q4FYE2019</b>	<b>VARIANCE</b>	<b>VARIANCE</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>%</b>
Revenue	-	-	-	0.00%
Profit / (Loss) before taxation	(3,685)	(5,181)	1,455	-39.03%
Profit / (Loss) after taxation	(3,685)	40,678	(44,363)	1203.88%

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**  
**NOTES**

**B3 Prospects**

The group has embarked on a restructuring exercise in which it has divested loss making subsidiaries and has applied for new Air Service Permit under APFT Services Sdn. Bhd..

**B4 Profit forecast and profit guarantee**

The Group has not issued any profit forecast or profit guarantee for the current financial quarter under review or in any public documents.

**B5 Taxation**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	PERIOD	PRECEDING YEAR
	YEAR	CORRESPONDING	ENDED	TO PERIOD ENDED
	QUARTER	QUARTER		
	30.04.2020	30.04.2020	30.04.2020	30.04.2020
	RM'000	RM'000	RM'000	RM'000
Income tax				
Taxation for the current period	-	-	-	-
Deferred tax assets	-	-	-	-
Estimated deferred tax for current period	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**B6 Sales of unquoted investments and/or properties**

N/A

**B7 Quoted securities**

There were no acquisitions or disposals of quoted securities for the current quarter and current financial period to-date.

**B8 Status of utilisation of proceeds of private placement**

The proceeds from private placement has been fully utilised as follows:

Purpose	Proposed Utilisation RM'000	Estimated time frame for utilisation	Actual utilisation RM'000	Balance RM'000
Working capital requirements of the Group				
- Payment of salary	1,500	Within 12 months	1,500	-
- Payment of creditors	2,371	Within 12 months	2,371	-
<b>Total</b>	<u>3,871</u>		<u>3,871</u>	<u>-</u>

**B9 Borrowings and debt securities**

N/A

**B10 Notes to the statements of profit or loss and other comprehensive income**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	YEAR	CORRESPONDING	YEAR	TO DATE ENDED
	QUARTER	QUARTER	TODATE	
	30.04.2020	30.04.2019	30.04.2020	30.04.2019
	RM'000	RM'000	RM'000	RM'000
<b>Profit / (Loss) before taxation is arrived after charging:</b>				
Bad Debts Written Off	-	5	-	5
Depreciation	147	165	592	778
Gain on disposal of investment in subsidiaries	-	(20)	213	(20)
Write Back of Consultancy Expenses	-	-	(633)	-
Impairment Loss on Trade Receivables	-	2,047	-	2,047
Impairment Loss on Other Receivables	600	4	600	4
Impairment Loss of Investment in associates	-	3,200	-	3,200
Impairment Loss on Plant, Property & Equipment	1,440	1,624	3,516	1,624
Impairment Loss of Amount Due From Related Parties	-	28,426	-	28,426
Impairment of loss on investment in associates	-	3,200	-	3,200
(Gain)/ Loss on disposal of property, plant and equipment	660	1	-	1
Rental expenses	13	203	118	203

There were no off balance sheet financial instruments as at the date of this report.



**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**  
**NOTES**

**B11 Material litigations**

Save as disclosed below, the Company and its subsidiary companies are not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of this report:-

- i) On 27 August 2019, APFT Aviation received an originating summons from Asia Pacific Flight Training Sdn. Bhd (In Liquidation). On 3 September 2019 the case was heard in Kuala Lumpur High Court on the Interim Injunction ("Encl 3") hearing before the High Court Judge. Counsel for Asia Pacific Flight Training Sdn Bhd (In Liquidation) ("the Plaintiff") has informed the court that Encl 3 is essentially an injunction against APFT Aviation Sdn Bhd ("the Defendant") from inter alia dealing, selling and/or disposing of 16 aircrafts which belonged to the Plaintiff but was transferred to the Defendant prior to the Plaintiff being wound up. Accordingly, the Plaintiff has also apprised the court that the Plaintiff will not be pursuing Encl 3 and will proceed with the Originating Summons ("Encl 1") should it be discovered that the aircrafts have subsequently been sold off to other parties. The court set the date for case management to 17 September 2019.

On 17 September 2019, the proposed ad interim order was presented to the Plaintiff and agreed upon by all parties. The proposed ad interim order was then recorded before the High Court Judge and the court proceeded to grant an ad interim injunction pending the hearing of the Plaintiff's application for an interim injunction ("Enclosure 3") based on the terms in the proposed ad interim order. The High Court Judge proceeded with the following directions:

- 4.1 the hearing of Enclosure 3 on 24.10.2019;
- 4.2 case management for Enclosure 1 on 24.10.2019;
- 4.3 the hearing of Enclosure 1 on 11.11.2019; and
- 4.4 the exchange of all affidavits to be exhausted before the hearing of Enclosure 3.

**APFT Aviation - Case Management 11.11.2019**

**Enclosure 3**

1. Both parties agreed to a proposed consent order vis a vis the Plaintiff's Notice of Application for an Inter Parte Injunction ("Enclosure 3"). Accordingly, the proposed consent order for Enclosure 3 was recorded before the High Court Judge and the court proceeded to grant an Inter Parte Injunction pending the hearing of the Plaintiff's Originating Summons ("Enclosure 1") based on the terms in the proposed consent order for Enclosure 3.

**Enclosure 18**

2. As you are also previously aware, both parties agreed to a proposed consent order vis a vis the Defendant's Notice of Application for Conversion to Writ ("Enclosure 18"). However, despite both parties consenting to the proposed consent order for Enclosure 18, the High Court Judge dismissed Enclosure 18 with liberty to file afresh and an order for costs in the cause. The High Court Judge was of the opinion that a conversion application was not necessary and that if parties require oral evidence to be heard, parties can apply for a right to cross-examine.

3. In light of the dismissal of Enclosure 18, the matter will be moving forward with the hearing of Enclosure 1.

**Further Directions**

4. In moving forward with the hearing of Enclosure 1, the High Court Judge gave the following directions:

- 4.1 the Plaintiff is to file an affidavit of reply within 14 days;
- 4.2 if there are to be any applications for cross-examination, parties are to put in an application as soon as possible; and
- 4.3 the hearing of Enclosure 1 is fixed for 20th – 21st April 2020.

- ii) On 24 May 2019, the Company received Statutory Demand Pursuant to Section 465(1) Read together with Section 466(1)(A) of The Companies Act 2016 for the sum of RM3.29 million due and owing to Dato' Faruk Bin Othman and a sum of RM875,000 due and owing to Arif Bin Faruk. On 11 June 2018 an agreement was reached between parties that the Defendants would hold over from filing any winding up petition against the Plaintiff for any claims arising from the Defendants' Notice pursuant to Section 465(1)(E) and 466(1)(A) of the Companies Act 2016 dated 24.5.2019 until the full and final determination of the Inter Partes Injunction Hearing. This position was then recorded before the High Court Judge during the hearing where the Court granted the holding over by consent. Accordingly, the High Court Judge has fixed for an Inter Partes Injunction Hearing to be heard on 18.7.2019.

High Court Judge made the following orders in respect of Enclosure 1 on 26.7.2019:

2.1 a declaration that the statutory notice pursuant to Section 465(1)(E) and 466(1)(A) of the Companies Act 2016 dated 24.5.2019 ("**Section 465 Notice**") issued by the Defendants' solicitors to the Plaintiff for a debt of RM875,000.00 allegedly due to the 2<sup>nd</sup> Defendant is invalid and/or null and void;

2.2 an injunction be granted to restrain the 1<sup>st</sup> Defendant, whether by himself or through his agents and/or servants howsoever from bringing, initiating, presenting, filing, serving, advertising and/or continuing a winding up petition against the Plaintiff for the sums or any portion thereof as claimed vide the Section 465 Notice, until the 1<sup>st</sup> Defendant's aforesaid claim is determined to be due and owing vide court judgment obtained in a civil suit

2.3 an injunction be granted to restrain the 2<sup>nd</sup> Defendant, whether by himself or through his agents and/or servants howsoever from bringing, initiating, presenting, filing, serving, advertising and/or continuing a winding up petition against the Plaintiff for the sums or any portion thereof as claimed vide the Section 465 Notice; and

The hearing of Dato' Faruk's appeal, Civil Appeal No. W-02(NCC)(A)-1438-08/2019 ("**Appeal**") fixed before the Court of Appeal on 29 June 2020, in light of Dato' Faruk's notice to withdraw the appeal, the Registrar has struck out the Appeal from the list of appeals and the hearing before the Court of Appeal was vacated. The case was withdrawn on the basis that no order as to costs is made.

- iii) The Board of Directors of APFT Berhad ("the Board") wishes to announce that APFT Berhad had on 15th July 2019 has commenced a civil suit, namely Kuala Lumpur High Court Civil Suit No. WA-22NCC-399-07/2019, against the following defendants:

1. Dato' Faruk Bin Othman;
2. Arif Bin Faruk;
3. Tan Boon Leng; and
4. Tan Nyap Keong @ Tony Tan  
(collectively referred to as "Defendants")

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**  
**NOTES**

On 14 November 2019, the Court of Appeal has been apprised that the Record of Appeal has been filed and all cause papers are in order. Accordingly, the Deputy Registrar proceeded to fix hearing dates for the appeal on **29.6.2019**.

The Deputy Registrar further directed that the following are to be filed on or before 15.6.2020:

- 3.1 a common core bundle (if the record of appeal is more than 5 volumes);
- 3.2 a chronology of facts for the appellant and a chronology of facts for the respondent;
- 3.3 the written submission and bundle of authorities for each party; and
- 3.4 an executive summary (if the written submission is more than 30 pages).

On 15 July 2019, the Company issued Writ of Summons to 4 former directors namely Dato' Faruk Bin Othman (1st Defendants), Arif Bin Faruk (2nd defendants), Tan Boon Leng (3rd Defendant) and Tan Nyap Keong @ Tony Tan (4th Defendant) for breach of fiduciary duties and / or statutory duties and/ or duty of care to APFT Berhad for the declaration that the assignment of debts in the sum of RM16,646,851.22 which is said to be due and owing to the 1st and 2nd defendants from Asia Pacific Flight Training Sdn. Bhd. t, APFT Services Sdn. Bhd., PTTM Oil & Gas Sdn. Bhd., APFT Engineering Sdn. Bhd. and PT Technic (M) Sdn. Bhd. respectively to APFT BERhad was not done bona fide and are against the interest of APFT Berhad. The court set the date for case management to 25.10.2019. The Defendants 3 and 4 had also submitted their striking out application (Encl. 11)

On 25.10.2019 the hearing of the 3<sup>rd</sup> and 4<sup>th</sup> Defendants' striking out application ("Encl 11") and the case management of the Plaintiff's writ action before the Kuala Lumpur High Court Judge YA Tuan Darryl Goon was held and the the following were the directions from the court:

- 1 The Learned High Court Judge was apprised that the 3rd and 4th Defendants are withdrawing Encl 11. Accordingly, allowed the withdrawal of Encl 11 with no order as to costs.
- 2 The 3rd and 4th Defendants also apprised the court that they will be filing an amended Defence. The High Court Judge allowed the amended Defence of the 3rd and 4th Defendants to be filed.
- 3 As there was no more interlocutory applications pending, the High Court Judge gave the following pre-trial directions to be completed on or before 21.1.2020:
  - 3.1 the bundle of pleadings, after the filing of the 3rd and 4th Defendants' Amended Defence and the Plaintiff's Amended reply (if necessary);
  - 3.2 a common core bundle consisting of the following items:
    - 3.2.1 a summary of each parties case;
    - 3.2.2 a common chronology;
    - 3.2.3 a statement of agreed facts; and
    - 3.2.4 agreed issues to be tried
  - 3.3 a common bundle of documents between parties;
  - 3.4 each party's list of witnesses.
- 4 The High Court Judge also fixed the following:
  - 4.1 a case management on **21.1.2020** for the compliance of the pre-trial directions and further directions for the witness statements of parties; and
  - 4.2 trial to be conducted from **1 to 4 September 2020**

On 7 March 2020 at the request of the Plaintiff's solicitors and in light of recent health concerns surrounding the COVID-19 virus, the Learned High Court Judge the court has vacated the trial fixed on 9.3.2020 and has fixed a case management 10 March 2020. As the lawyer in charge is under a mandatory stay at home order issued by the Ministry of Health from 9.3.2020 to 12.3.2020, the court further directed that the trial dates on 11.3.2020 and 12.3.2020 be vacated and a further fixed a case management on 25.3.2020 for parties to fix new trial dates.

**B12 Dividends**

No dividends have been declared in respect of the financial quarter under review.

**B13 Loss per share**

**Basic**

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares in issue during the quarter.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30.04.2020	PRECEDING YEAR CORRESPONDING QUARTER 30.04.2019	CURRENT YEAR TODATE 30.04.2020	PRECEDING YEAR TO DATE ENDED 30.04.2019
Net Profit / (Loss) for the period attributable to ordinary shareholders of the Company (RM'000)	(3,726)	(5,181)	(3,685)	15,590
Number of ordinary shares in issue ('000)	1,342,422	1,342,422	1,342,422	1,342,422
Basic Profit / (loss) per share (sen)	<u>(0.278)</u>	<u>(0.004)</u>	<u>(0.275)</u>	<u>0.012</u>

**Diluted**

Diluted losses per ordinary share is not applicable for the financial period as the unexercised convertible warrants were anti-dilutive in nature., this is due to the average market share price of the Company is below the exercise price of warrants.

**APFT BERHAD**  
**Company No.: 886873-T**  
(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT ON RESULTS FOR THE FINANCIAL QUARTER ENDED**

**NOTES**

**B14 Realised and Unrealised Losses Disclosure**

	<b>CURRENT YEAR QUARTER</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER</b>
	<b>30.04.2020</b>	<b>30.04.2019</b>
	<b>RM'000</b>	<b>RM'000</b>
Total accumulated losses of the Group		
- realised	(203,150)	(93,076)
- unrealised	-	-
Total group accumulated losses	<u>(203,150)</u>	<u>(93,076)</u>
Consolidation adjustment	<u>121,742</u>	<u>19,462</u>
Total group's accumulated losses	<u><u>(81,408)</u></u>	<u><u>(73,614)</u></u>

**B15 Authorisation for issue**

This interim financial report was duly reviewed and approved by the Board of Directors on 23 March 2020

**By Order of the Board**

**Date :** 30-Jun-20